



State of Wisconsin
2005 - 2006 LEGISLATURE

LRB-0241/3

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2005 ASSEMBLY BILL 39

January 25, 2005 - Introduced by Representatives NASS, VRUWINK, VRAKAS, KERKMAN, MONTGOMERY, KREIBICH, SUDER, VOS, OTT, HINES, HAHN, MUSSER, MOLEPSKE, NERISON, PETROWSKI and TOWNSEND, cosponsored by Senators ROESSLER, LASSA, OLSEN, BROWN, KEDZIE, WIRCH, BRESKE and STEPP. Referred to Committee on Housing.

1 **AN ACT** *to repeal* 20.143 (3) (sa), 25.40 (1) (fm), 25.40 (2) (b) 19g., 101.19 (1) (e),
2 101.92 (1), 101.92 (1m), 101.92 (5), 101.9208 (2), 101.925, 101.93, 101.94 (3),
3 101.94 (4), 101.94 (5), 101.94 (6), 101.951 (2) (c), 101.951 (2) (d), 101.952 (2) (c)
4 and 101.952 (2) (d); **to renumber and amend** 101.9208 (1); **to consolidate,**
5 **renumber and amend** 101.91 (2) (a) and (b); **to amend** 20.143 (3) (j), 20.855
6 (4) (f), 25.46 (19), 85.037, 100.20 (2) (b), 101.125 (1) (a), 101.19 (1) (f), 101.91
7 (5m), 101.91 (6m), 101.91 (7), 101.91 (8), 101.92 (6), 101.92 (9), 101.9203 (4),
8 101.9204 (1m), 101.9205 (3), 101.9213 (8), 101.935 (title), 101.935 (2) (a),
9 101.935 (2) (c) 2., 101.935 (2) (d), 101.935 (2m), 101.937 (title), (1) and (2),
10 101.937 (3) (a), 101.94 (2), 101.95, 101.951 (2) (a) and 101.952 (2) (a); and **to**
11 **create** 15.157 (13), 20.143 (1) (jp), 101.91 (1i), 101.91 (1j), 101.91 (1t), 101.91
12 (1v), 101.9208 (2m), 101.933, 101.951 (2) (bm), 101.952 (2) (bm), 101.957,
13 101.96, 101.965 (1p), 101.965 (1t) and 560.285 of the statutes; **relating to:**
14 regulating the manufactured housing industry and manufactured home

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- 1 installations; promoting rehabilitation and recycling of manufactured housing;
2 requiring the exercise of rule-making authority; providing a penalty; and
3 making appropriations.

Analysis by the Legislative Reference Bureau

This bill makes numerous changes relating to manufactured housing. The changes primarily include the following:

Regulation of manufacturers of manufactured homes

Current law regulates manufacturers of manufactured homes, manufactured home dealers, and manufactured home salespersons. Under current law, the Department of Commerce (Commerce) is responsible for licensing all manufacturers desiring to sell or distribute for sale manufactured homes in this state. Among other things, current law also requires Commerce to do all of the following:

1. Adopt, administer, and enforce rules for the safe and sanitary design and construction of manufactured homes that are manufactured, distributed, sold, or offered for sale in this state, including rules relating to plumbing in the design and construction of manufactured homes.

2. Review typical construction plans and specifications that manufacturers are required to submit to Commerce for approval, including plans and specifications of plumbing systems used in manufactured homes.

3. Inspect manufacturing facilities, processes, fabrication, and assembly of manufactured homes to ensure compliance with the rules promulgated by Commerce relating to the manufacture of manufactured homes.

4. Issue a label for display on a manufactured home that indicates that the manufactured home meets the requirements of the statutes and rules.

5. Establish standards for certification of inspection and testing agencies that inspect manufacturing facilities, processes, fabrication, and assembly of manufactured homes and plumbing systems in manufactured homes and that issue labels of approval.

6. Provide for the inspection of manufactured homes that are manufactured in other states and that are to be sold or intended to be sold in this state.

This bill eliminates the requirements that Commerce perform the duties listed in items 1, 2, 4, 5, and 6.

Currently, state law requires the manufacturer of a manufactured home to install a functional smoke detector in each manufactured home it manufactures. This bill deletes this requirement. Federal law contains a similar requirement and requires smoke detectors to be installed in additional locations within each manufactured home.

Regulation of manufactured home installations

Generally, a manufactured home is entirely constructed in a factory and, after it is purchased by a consumer, is transported, either as a single unit or in sections, to the home site for installation upon a foundation. Current law generally does not

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regulate installers of manufactured homes, although current law does require Commerce to make rules governing certain foundations upon which manufactured homes are installed.

With limited exceptions, this bill requires every manufactured home installation in this state to be performed by, or under the general supervision of, an individual licensed by Commerce as a manufactured home installer. The bill specifies that a licensed installer is liable for all acts and omissions of each individual who performs an installation under the licensed installer's general supervision. The bill also specifies certain minimum criteria applicable to license applicants. In addition, the bill requires Commerce to make rules for the safe installation of manufactured homes in this state and for the enforcement of those installation standards. Commerce must require third-party inspections as part of its enforcement scheme. The bill prohibits any city, village, or town from regulating a matter governed by these provisions of the bill or by rules promulgated under each of these provisions.

Regulatory fees

Current law establishes specific fees that Commerce must charge for conducting a file search, for providing various services related to the titling of manufactured homes, and for providing certain notices related to security interests in manufactured homes. This bill requires Commerce, by rule, to establish fees for these services. This bill also requires Commerce to assess a new fee to fund a manufactured housing rehabilitation and recycling grant program (see below).

Under current law, fees related to the titling of manufactured homes are generally deposited into the transportation fund and then a specified amount is appropriated from the transportation fund for Commerce's administration of the manufactured housing statutes. This bill provides, instead, that the fees are deposited into the general fund and credited to the program revenue appropriation account that generally funds the safety and buildings operations of Commerce.

Generally, under current law, the fee for a manufactured home dealer license is \$50 multiplied by the number of years in the license period. The fee for a manufactured home salesperson license generally is \$4 multiplied by the number of years in the license period. Current law requires Commerce, by rule, to determine the license period applicable to each of these licenses. Currently, these fees must be prorated if the license period is not evenly divisible into years. This bill repeals the statutory fee amount and proration requirement and requires, instead, that these fees be determined by Commerce by rule.

Manufactured housing rehabilitation and recycling

This bill requires Commerce to establish a grant program to promote the proper disposal of abandoned manufactured homes and to promote the rehabilitation and use of manufactured homes that are in need of critical repairs. To the extent feasible, Commerce must coordinate the program with the state's housing strategy plan. The bill also requires Commerce to contract with private, nonprofit entities for the administration of the grant program.

ASSEMBLY BILL 39***Titling of manufactured homes***

With certain exceptions, any person who acquires a manufactured home must apply to Commerce for a certificate of title to the manufactured home. This requirement does not apply if the owner of the manufactured home intends, upon acquiring the manufactured home, to permanently affix the manufactured home to land that the owner of the manufactured home owns. In such a case, the manufactured home becomes a part of the land and its ownership is evidenced by the deed applicable to that land. This bill creates a similar exception that applies if the owner of the manufactured home intends, upon acquiring the manufactured home, to affix the manufactured home to land in which the owner has a leasehold interest of sufficient duration.

Other

The bill establishes a Manufactured Housing Code Council for the purpose of advising Commerce concerning the regulation of the manufactured housing industry. The council is similar to advisory councils that currently advise Commerce with regard to other aspects of housing market regulation, except that members of the Manufactured Housing Code Council are appointed by the secretary of Commerce rather than the governor.

The bill also requires Commerce, by rule, to establish an alternative dispute resolution program designed to facilitate the timely, informal resolution of certain disputes concerning defective manufactured homes and manufactured home installations. The program applies to disputes among manufactured home manufacturers, salespersons, dealers, and installers. The program does not apply to disputes with consumers.

Current law contains numerous references to manufactured home parks. This bill changes the term “park” in these references to the term “community.”

For further information see the ***state and local*** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- 1 **SECTION 1.** 15.157 (13) of the statutes is created to read:
- 2 15.157 (13) MANUFACTURED HOUSING CODE COUNCIL. (a) There is created in the
- 3 department of commerce a manufactured housing code council consisting of the
- 4 following members appointed by the secretary of commerce for 3-year terms:
- 5 1. Two members representing manufacturers of manufactured homes.
- 6 2. Two members representing manufactured home dealers.

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- 1 3. Two members representing owners of manufactured home communities.
- 2 4. Two members representing installers of manufactured homes.
- 3 5. One member representing an association of the manufactured housing
- 4 industry in Wisconsin.
- 5 6. One member representing suppliers of materials or services to the
- 6 manufactured housing industry.
- 7 7. One member representing the public.

8 (b) The council shall meet at least twice a year. An employee of the department
 9 designated by the secretary of the department shall serve as nonvoting secretary of
 10 the council.

11 **SECTION 2.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert
 12 the following amounts for the purposes indicated:

	2004-05	2005-06
20.143 Commerce, department of		
(1) ECONOMIC AND COMMUNITY DEVELOPMENT		
(jp) Manufactured housing rehabi-		
litation and recycling; program		
revenue	PR A 70,000	70,000

19 **SECTION 3.** 20.143 (1) (jp) of the statutes is created to read:
 20 20.143 (1) (jp) *Manufactured housing rehabilitation and recycling; program*
 21 *revenue.* The amounts in the schedule for the administration of and for grants under
 22 s. 560.285. All moneys received under s. 101.9208 (2m) shall be credited to this
 23 appropriation.

24 **SECTION 4.** 20.143 (3) (j) of the statutes is amended to read:

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1 20.143 (3) (j) *Safety and building operations*. The amounts in the schedule for
2 the purposes of chs. 101, 145, and 168 and ss. 236.12 (2) (a), 236.13 (1) (d) and (2m),
3 and 236.335. All moneys received under ch. 145, ss. 101.177 (4) (a) 4., 101.178,
4 101.19, 101.63 (9), 101.654 (3), 101.73 (12), 101.82 (4), ~~101.9205 (3), 101.9208 (1) (b),~~
5 ~~101.9213 (8), 101.935, 101.951 (2), 101.952 (2), 101.955 (2), 101.973 (7), and 236.12~~
6 (7), and 2001 Wisconsin Act 16, section 9110 (3z), and all moneys transferred under
7 2005 Wisconsin Act ... (this act), section 65 (5), shall be credited to this
8 appropriation.

9 **SECTION 5.** 20.143 (3) (sa) of the statutes is repealed.

10 **SECTION 6.** 20.855 (4) (f) of the statutes is amended to read:

11 20.855 (4) (f) *Supplemental title fee matching*. From the general fund, a sum
12 sufficient equal to the amount of supplemental title fees collected under ~~ss. 101.9208~~
13 ~~(1) (dm) and s.~~ 342.14 (3m), as determined under s. 85.037, less \$555,000, to be
14 transferred to the environmental fund on October 1 annually.

15 **SECTION 7.** 25.40 (1) (fm) of the statutes is repealed.

16 **SECTION 8.** 25.40 (2) (b) 19g. of the statutes is repealed.

17 **SECTION 9.** 25.46 (19) of the statutes is amended to read:

18 25.46 (19) The environmental impact fees imposed under ~~ss. 101.9208 (1) (b)~~
19 ~~and s.~~ 342.14 (1r) for environmental management.

20 **SECTION 10.** 85.037 of the statutes is amended to read:

21 **85.037 Certification of fees collected.** Annually, no later than October 1,
22 the secretary of transportation shall certify to the secretary of administration the
23 amount of fees collected under ~~ss. 101.9208 (1) (dm) and s.~~ 342.14 (3m) during the
24 previous fiscal year, for the purpose of determining the amounts to be transferred
25 under s. 20.855 (4) (f) during the current fiscal year.

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1 **SECTION 11.** 100.20 (2) (b) of the statutes is amended to read:

2 100.20 (2) (b) Notwithstanding par. (a), the department may not issue any
3 order or promulgate any rule that regulates the provision of water or sewer service
4 by a manufactured home park community operator, as defined in s. 101.91 (8), or
5 manufactured home park community contractor, as defined in s. 101.91 (6m), or
6 enforce any rule to the extent that the rule regulates the provision of such water or
7 sewer service.

8 **SECTION 12.** 101.125 (1) (a) of the statutes is amended to read:

9 101.125 (1) (a) “Building” means a place of employment or a public building and
10 includes, without limitation because of enumeration, wholesale and retail stores,
11 storerooms, office buildings, factories, warehouses, governmental buildings, hotels,
12 hospitals, motels, dormitories, sanatoriums, nursing homes, retirement homes,
13 theaters, stadiums, gymnasiums, amusement park buildings, schools and other
14 buildings used for educational purposes, places of worship and other places of public
15 assembly and all residences including mobile homes, manufactured or homes,
16 industrialized housing, lodging homes, and any other building used as a dwelling for
17 one or more persons.

18 **SECTION 13.** 101.19 (1) (e) of the statutes is repealed.

19 **SECTION 14.** 101.19 (1) (f) of the statutes is amended to read:

20 101.19 (1) (f) ~~Defraying the cost~~ Administration of the manufactured dwelling
21 program, the one- and two-family dwelling programs, the manufactured home and
22 mobile home program, and the multifamily dwelling program.

23 **SECTION 15.** 101.91 (1i) of the statutes is created to read:

24 101.91 (1i) “Installation standards” means specifications for the proper
25 installation of manufactured homes at their place of occupancy to ensure proper

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1 siting, the joining of all sections of the manufactured home, connection to existing
2 utility services and the installation of stabilization, support, or anchoring systems.

3 **SECTION 16.** 101.91 (1j) of the statutes is created to read:

4 101.91 (1j) "Installer" means a person who is in the business of installing new
5 manufactured homes.

6 **SECTION 17.** 101.91 (1t) of the statutes is created to read:

7 101.91 (1t) "Licensed installer" means an installer licensed under s. 101.96 (2)
8 (b).

9 **SECTION 18.** 101.91 (1v) of the statutes is created to read:

10 101.91 (1v) "Licensed manufacturer" means a manufactured home
11 manufacturer licensed under s. 101.95.

12 **SECTION 19.** 101.91 (2) (a) and (b) of the statutes are consolidated, renumbered
13 101.91 (2) (am) and amended to read:

14 101.91 (2) (am) A structure, ~~transportable in one or more sections, which in the~~
15 ~~traveling mode is 8 body feet or more in width or 40 body feet or more in length, or,~~
16 ~~when erected on site is 320 or more square feet, and which is built on a permanent~~
17 ~~chassis and that is~~ designed to be used as a dwelling with or without a permanent
18 foundation when connected to the required utilities. ~~(b) A structure which meets all~~
19 ~~the requirements of par. (a) except the size requirements, and with respect to which~~
20 ~~the manufacturer voluntarily files a certification required by the secretary of~~
21 ~~housing and urban development and that~~ complies with the standards established
22 under 42 USC 5401 to 5425.

23 **SECTION 20.** 101.91 (5m) of the statutes is amended to read:

24 101.91 (5m) "Manufactured home park community" means any plot or plots of
25 ground upon which 3 or more manufactured homes that are occupied for dwelling or

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1 sleeping purposes are located. “Manufactured home park community” does not
2 include a farm where the occupants of the manufactured homes are the father,
3 mother, son, daughter, brother or sister of the farm owner or operator or where the
4 occupants of the manufactured homes work on the farm.

5 **SECTION 21.** 101.91 (6m) of the statutes is amended to read:

6 101.91 (6m) “Manufactured home park community contractor” means a
7 person, other than a public utility, as defined in s. 196.01 (5) (a), who, under a
8 contract with a manufactured home park community operator, provides water or
9 sewer service to a manufactured home park community occupant or performs a
10 service related to providing water or sewer service to a manufactured home park
11 community occupant.

12 **SECTION 22.** 101.91 (7) of the statutes is amended to read:

13 101.91 (7) “Manufactured home park community occupant” means a person
14 who rents or owns a manufactured home in a manufactured home park community.

15 **SECTION 23.** 101.91 (8) of the statutes is amended to read:

16 101.91 (8) “Manufactured home park community operator” means a person
17 engaged in the business of owning or managing a manufactured home park
18 community.

19 **SECTION 24.** 101.92 (1) of the statutes is repealed.

20 **SECTION 25.** 101.92 (1m) of the statutes is repealed.

21 **SECTION 26.** 101.92 (5) of the statutes is repealed.

22 **SECTION 27.** 101.92 (6) of the statutes is amended to read:

23 101.92 (6) May enter into reciprocal agreements with other states regarding
24 the design, construction, inspection, installation, and labeling of manufactured

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1 homes where the laws or rules of other states meet the intent of this subchapter and
2 where the laws or rules are actually enforced.

3 **SECTION 28.** 101.92 (9) of the statutes is amended to read:

4 101.92 (9) Shall promulgate rules and establish standards necessary to carry
5 out the purposes of ss. ~~101.953~~ 101.951 and ~~101.954~~ 101.952.

6 **SECTION 29.** 101.9203 (4) of the statutes is amended to read:

7 101.9203 (4) The owner of a manufactured home that is situated in this state
8 or intended to be situated in this state is not required to make application for a
9 certificate of title under s. 101.9209 if the owner of the manufactured home intends,
10 upon acquiring the manufactured home, to ~~permanently affix~~ make the
11 manufactured home a fixture to land that in which the owner of the manufactured
12 home ~~owns~~ has an ownership or leasehold interest subject to ch. 706.

13 **SECTION 30.** 101.9204 (1m) of the statutes is amended to read:

14 101.9204 (1m) On the form or in the automated format for application for a
15 certificate of title, the department may show the fee under s. 101.9208 ~~(1) (dm)~~ (4m)
16 separately from the fee under s. 101.9208 (1) ~~(a)~~ or ~~(d)~~ (4).

17 **SECTION 31.** 101.9205 (3) of the statutes is amended to read:

18 101.9205 (3) The department shall ~~charge~~ establish, by rule under s. 101.19,
19 a fee of not less than \$2 for conducting a file search of manufactured home title
20 records.

21 **SECTION 32.** 101.9208 (1) of the statutes is renumbered 101.9208 and amended
22 to read:

23 **101.9208** ~~The department shall be paid the~~ The following fees shall be
24 determined by the department by rule under s. 101.19:

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1 (1) For filing an application for the first certificate of title, ~~\$8.50, to be paid~~ by
2 the owner of the manufactured home.

3 (2) Upon filing an application under ~~par. (a) or (d) sub. (1) or (4)~~, an
4 environmental impact fee of \$9, to be paid by the person filing the application. All
5 moneys collected under this subsection shall be credited to the environmental fund
6 for environmental management. This paragraph does not apply after December 31,
7 2003.

8 (3) For the original notation and subsequent release of each security interest
9 noted upon a certificate of title, a single fee of \$4 to be paid by the owner of the
10 manufactured home.

11 (4) For a certificate of title after a transfer, ~~\$8.50, to be paid~~ by the owner of the
12 manufactured home.

13 (4m) Upon filing an application under ~~par. (a) or (d) sub. (1) or (4)~~, a
14 supplemental title fee of \$7.50 to be paid by the owner of the manufactured home,
15 except that this fee shall be waived with respect to an application under par. (d) for
16 transfer of a decedent's interest in a manufactured home to his or her surviving
17 spouse. The fee specified required under this paragraph is subsection shall be paid
18 in addition to any other fee specified in this section.

19 (5) For each assignment of a security interest noted upon a certificate of title,
20 \$1 to be paid by the assignee.

21 (6) For a replacement certificate of title, ~~\$8, to be paid~~ by the owner of the
22 manufactured home.

23 (7) For processing applications for certificates of title that have a special
24 handling request for fast service, ~~a fee established by the department by rule, which~~

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1 fee shall approximate the cost to the department for providing this special handling
2 service to persons so requesting.

3 (8) For the reinstatement of a certificate of title previously suspended or
4 revoked, \$25.

5 **SECTION 33.** 101.9208 (2) of the statutes is repealed.

6 **SECTION 34.** 101.9208 (2m) of the statutes is created to read:

7 101.9208 (2m) Upon filing an application under sub. (1) or (4), a manufactured
8 housing rehabilitation and recycling fee, to be paid by the person filing the
9 application.

10 **SECTION 35.** 101.9213 (8) of the statutes is amended to read:

11 101.9213 (8) Upon request of a person who has perfected a security interest
12 under this section, as shown by the records of the department, in a manufactured
13 home titled in this state, whenever the department receives information from
14 another state that the manufactured home is being titled in the other state and the
15 information does not show that the security interest has been satisfied, the
16 department shall notify the person. ~~The person shall pay the department~~ shall
17 establish, by rule under s. 101.19, a fee of not less than \$2 fee for each notification.

18 **SECTION 36.** 101.925 of the statutes is repealed.

19 **SECTION 37.** 101.93 of the statutes is repealed.

20 **SECTION 38.** 101.933 of the statutes is created to read:

21 **101.933 Manufactured housing code council duties.** The manufactured
22 housing code council shall review this subchapter and rules promulgated under this
23 subchapter and recommend a statewide manufactured housing code for
24 promulgation by the department. The council shall consider and make
25 recommendations to the department pertaining to rules and any other matter

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1 related to this subchapter, including recommendations with regard to licensure and
2 professional discipline of manufacturers of manufactured homes, manufactured
3 home dealers, manufactured home salespersons, and installers, and with regard to
4 consumer protection applicable to consumers of manufactured homes. In making
5 recommendations, the council shall consider the likely costs of any proposed rules to
6 consumers in relation to the benefits that are likely to result therefrom.

7 **SECTION 39.** 101.935 (title) of the statutes is amended to read:

8 **101.935 (title) Manufactured home park community regulation.**

9 **SECTION 40.** 101.935 (2) (a) of the statutes is amended to read:

10 101.935 (2) (a) The department or a village, city or county granted agent status
11 under par. (e) shall issue permits to and regulate manufactured home ~~parks~~
12 communities. No person, state or local government who has not been issued a permit
13 under this subsection may conduct, maintain, manage or operate a manufactured
14 home ~~park~~ community.

15 **SECTION 41.** 101.935 (2) (c) 2. of the statutes is amended to read:

16 101.935 (2) (c) 2. The department shall establish, by rule under s. 101.19, the
17 permit fee and renewal fee for a permit issued under this subsection. ~~Beginning in~~
18 ~~fiscal year 2002-03, the~~ The department may increase the fees to recover establish
19 a fee that defrays the cost of administering s. 101.937. An additional penalty fee, as
20 established by the department by rule under s. 101.19, is required for each permit
21 if the biennial renewal fee is not paid before the permit expires.

22 **SECTION 42.** 101.935 (2) (d) of the statutes is amended to read:

23 101.935 (2) (d) A permit may not be issued under this subsection until all
24 applicable fees have been paid. If the payment is by check or other draft drawn upon
25 an account containing insufficient funds, the permit applicant shall, within 15 days

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1 after receipt of notice from the department of the insufficiency, pay by cashier's check
2 or other certified draft, money order or cash the fees to the department, late fees and
3 processing charges that are specified by rules promulgated by the department. If the
4 permit applicant fails to pay all applicable fees, late fees and the processing charges
5 within 15 days after the applicant receives notice of the insufficiency, the permit is
6 void. In an appeal concerning voiding of a permit under this paragraph, the burden
7 is on the permit applicant to show that the entire applicable fees, late fees and
8 processing charges have been paid. During any appeal process concerning a
9 payment dispute, operation of the manufactured home ~~park~~ community in question
10 is considered to be operation without a permit.

11 **SECTION 43.** 101.935 (2m) of the statutes is amended to read:

12 101.935 **(2m)** (a) The department shall inspect a manufactured home ~~park~~
13 community in the following situations:

14 1. Upon completion of the construction of a manufactured home ~~park~~
15 community.

16 2. Whenever a manufactured home ~~park~~ community is modified, as defined by
17 the department by rule.

18 3. Whenever the department receives a complaint about a manufactured home
19 ~~park~~ community.

20 (b) The department may, with notice, inspect a manufactured home ~~park~~
21 community whenever the department determines an inspection is appropriate.

22 **SECTION 44.** 101.937 (title), (1) and (2) of the statutes are amended to read:

23 **101.937** (title) **Water and sewer service to manufactured home parks**
24 **communities.** (1) RULES. The department shall promulgate rules that establish
25 standards for providing water or sewer service by a manufactured home ~~park~~

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1 community operator or manufactured home park community contractor to a
2 manufactured home park community occupant, including requirements for
3 metering, billing, depositing, arranging deferred payment, installing service,
4 refusing or discontinuing service, and resolving disputes with respect to service.
5 Rules promulgated under this subsection shall ensure that any charge for water or
6 sewer service is reasonable and not unjustly discriminatory, that the water or sewer
7 service is reasonably adequate, and that any practice relating to providing the
8 service is just and reasonable.

9 (2) PERMANENT IMPROVEMENTS. A manufactured home park community
10 operator may make a reasonable recovery of capital costs for permanent
11 improvements related to the provision of water or sewer service to manufactured
12 home park community occupants through ongoing rates for water or sewer service.

13 **SECTION 45.** 101.937 (3) (a) of the statutes is amended to read:

14 101.937 (3) (a) On its own motion or upon a complaint filed by a manufactured
15 home park community occupant, the department may issue an order or commence
16 a civil action against a manufactured home park community operator or
17 manufactured home park community contractor to enforce this section, any rule
18 promulgated under sub. (1), or any order issued under this paragraph.

19 **SECTION 46.** 101.94 (2) of the statutes is amended to read:

20 101.94 (2) No person may manufacture, assemble, distribute or sell a
21 manufactured home unless the manufactured home complies with 42 USC 5401 to
22 5425 and applicable regulations as in effect on June 15, 1976. The department may
23 establish, by rule, standards for the safe and sanitary design and construction of
24 manufactured homes for the purpose of enforcement of this subchapter, and those

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1 standards may include standards in addition to any standards established by the
2 secretary of housing and urban development under 42 USC 5401 to 5425.

3 **SECTION 47.** 101.94 (3) of the statutes is repealed.

4 **SECTION 48.** 101.94 (4) of the statutes is repealed.

5 **SECTION 49.** 101.94 (5) of the statutes is repealed.

6 **SECTION 50.** 101.94 (6) of the statutes is repealed.

7 **SECTION 51.** 101.95 of the statutes is amended to read:

8 **101.95 Manufactured home manufacturers regulated.** The department
9 shall by rule prescribe the manner by which a manufacturer shall be licensed for the
10 manufacture, distribution or selling of manufactured homes in this state, including
11 fees for the licensing of manufacturers.

12 **SECTION 52.** 101.951 (2) (a) of the statutes is amended to read:

13 101.951 (2) (a) Application for a license or a renewal license shall be made to
14 the department on forms prescribed and furnished by the department, accompanied
15 by the license fee required under par. (e) ~~or (d)~~ (bm).

16 **SECTION 53.** 101.951 (2) (bm) of the statutes is created to read:

17 101.951 (2) (bm) Fees for licensing of persons under this section shall be
18 established by the department by rule under s. 101.19.

19 **SECTION 54.** 101.951 (2) (c) of the statutes is repealed.

20 **SECTION 55.** 101.951 (2) (d) of the statutes is repealed.

21 **SECTION 56.** 101.952 (2) (a) of the statutes is amended to read:

22 101.952 (2) (a) Applications for a manufactured home salesperson's license and
23 renewals thereof shall be made to the department on such forms as the department
24 prescribes and furnishes and shall be accompanied by the license fee required under
25 par. (e) ~~or (d)~~ (bm). The application shall include the applicant's social security

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1 number. In addition, the application shall require such pertinent information as the
2 department requires.

3 **SECTION 57.** 101.952 (2) (bm) of the statutes is created to read:

4 101.952 (2) (bm) Fees for licensing of manufactured home salespersons shall
5 be established by the department by rule under s. 101.19.

6 **SECTION 58.** 101.952 (2) (c) of the statutes is repealed.

7 **SECTION 59.** 101.952 (2) (d) of the statutes is repealed.

8 **SECTION 60.** 101.957 of the statutes is created to read:

9 **101.957 Nonjudicial resolution of manufactured housing industry**
10 **disputes.** The department, by rule, shall establish an alternative dispute resolution
11 program for the timely resolution of any dispute that concerns a defect in a
12 manufactured home, or in the installation of a manufactured home, reported to the
13 department within one year of the date on which the manufactured home was
14 installed and that occurs between parties, each of which is a manufacturer of
15 manufactured homes, manufactured home salesperson, manufactured home dealer,
16 or installer. The rules may require the parties to submit to an alternative dispute
17 resolution program before bringing an action in another forum. This section does not
18 affect the rights of any consumer to commence an action or the rights of any person
19 to commence an action against a consumer.

20 **SECTION 61.** 101.96 of the statutes is created to read:

21 **101.96 Manufactured home installation regulated. (1) INSTALLATION**
22 **STANDARDS.** (a) *Promulgation of standards.* The department shall, by rule, establish
23 installation standards for the safe installation of manufactured homes in this state.
24 In promulgating rules under this paragraph, the department shall consider the
25 recommendations of the manufactured housing code council under s. 101.933.

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1 (b) *Enforcement of standards.* The department shall, by rule, establish a
2 method for ensuring compliance with the rules promulgated under par. (a). The
3 department shall require inspections of manufactured home installations by
4 3rd-party inspectors licensed by the department. The department shall, by rule,
5 establish criteria for the licensure of 3rd-party inspectors that include a
6 requirement that an individual may not serve as a 3rd-party inspector if the
7 individual is, is employed by, or is an independent contractor of any of the following:

8 1. A manufactured home manufacturer who was directly involved in the sale
9 of the particular manufactured home.

10 2. A manufactured home salesperson who was directly involved in the sale of
11 the particular manufactured home.

12 3. An installer who was directly involved in the sale of the particular
13 manufactured home.

14 **(2) MANUFACTURED HOME INSTALLERS.** (a) *License required; exceptions; liability.*
15 Except as otherwise provided in this paragraph, no person may act as an installer
16 in this state unless the person is a licensed installer or employs one or more licensed
17 installers to generally supervise each of the person's installations of manufactured
18 homes in this state. This requirement does not apply to an individual who installs
19 a manufactured home on his or her own property for his or her personal use or to an
20 individual who installs a manufactured home under the general supervision of a
21 licensed installer. A licensed installer is liable for all acts and omissions related to
22 the installation of each individual who performs an installation under the licensed
23 installer's general supervision.

24 (b) *License eligibility.* The department may issue an installer's license only to
25 an individual to whom all of the following apply:

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- 1 1. The individual is at least 18 years old.
- 2 2. The individual files with the department a license application on a form
3 prescribed by the department.
- 4 3. The individual completes, to the satisfaction of the department, an
5 examination approved by the department that tests the skills necessary to properly
6 install manufactured homes and knowledge of the laws applicable to manufactured
7 home installation.
- 8 4. The individual has not been found responsible in any judicial or
9 administrative forum for any violation of this section during the 2 years before the
10 date on which the individual's license application is submitted.
- 11 5. The individual has not been found responsible in any judicial or
12 administrative forum during the 2 years before the date on which the individual's
13 license application is submitted for any failure to perform an installation of a
14 manufactured home as required under contract or for defrauding any person with
15 regard to the provision of installation services.
- 16 6. The individual meets the standards of financial responsibility established
17 by rule of the department.
- 18 (b) *Examination waiver.* The department shall, by rule, establish a procedure
19 under which it may waive the examination requirement under par (b) 3. for
20 individuals that demonstrate sufficient experience installing manufactured homes
21 including active participation in the installation of at least 10 manufactured homes.
22 This paragraph does not apply after December 1, 2006.
- 23 (c) *License term and fee.* The department, by rule under sub. (1) (b), shall
24 establish the term of installers' licenses and the conditions under which the
25 department may revoke or suspend installers' licenses. The department shall

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1 establish an initial installer’s license fee and license renewal fee by rule under s.
2 101.19.

3 **(3) MUNICIPAL AUTHORITY.** (a) *Authority limited.* No city, village, town, or county
4 may enact an ordinance or adopt a resolution regulating a matter governed by this
5 section or by a rule promulgated under this section.

6 (b) *Retroactive effect.* If a city, village, town, or county has in effect on the
7 effective date of this paragraph ... [revisor inserts date], an ordinance or resolution
8 that is inconsistent with par. (a), the ordinance or resolution does not apply and may
9 not be enforced.

10 **SECTION 62.** 101.965 (1p) of the statutes is created to read:

11 101.965 **(1p)** Any person who violates s. 101.96 or any rule promulgated under
12 that section may be required to forfeit not less than \$25 nor more than \$500 for each
13 violation. Each day of continued violation constitutes a separate violation.

14 **SECTION 63.** 101.965 (1t) of the statutes is created to read:

15 101.965 **(1t)** Upon request of the department, the attorney general may
16 commence an action in a court of competent jurisdiction to enjoin any installer from
17 installing a manufactured home in violation of s. 101.96 (2).

18 **SECTION 64.** 560.285 of the statutes is created to read:

19 **560.285 Manufactured housing rehabilitation and recycling. (1)**
20 DEFINITION. In this section, “manufactured home” has the meaning given in s. 101.91
21 (2).

22 **(2) GRANT PROGRAM.** (a) The department may make grants under this section
23 to provide financial assistance to persons engaged in the disposal of abandoned
24 manufactured homes and to municipalities, for the purpose of supporting
25 environmentally sound disposal practices.

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1 (b) The department may make grants under this section to provide financial
2 assistance to individuals who reside in manufactured homes that are in need of
3 critical repairs. An individual is eligible for a grant under this paragraph only if the
4 individual is otherwise unable to finance the critical repairs.

5 (3) ADMINISTRATION. The department shall contract with one or more entities
6 that are exempt from taxation under section 501 (a) of the Internal Revenue Code
7 and that employ individuals with technical expertise concerning manufactured
8 housing for the administration of the grant program under this section. The
9 department shall promulgate rules to establish the grant program under this
10 section. To the extent feasible, the department shall coordinate the program under
11 this section with the state housing strategy plan under s. 560.9802.

SECTION 65. Nonstatutory provisions.

12 (1) PROPOSED RULES. No later than the first day of the 12th month beginning
13 after the effective date of this subsection, the department of commerce shall submit
14 in proposed form the rules required under sections 101.9205 (3), 101.9208, 101.9213
15 (8), 101.951 (2) (bm), 101.952 (2) (bm), and 101.96 of the statutes, as affected by this
16 act, to the legislative council staff under section 227.15 (1) of the statutes.

17 (2) INITIAL MEMBERS OF MANUFACTURED HOUSING CODE COUNCIL. Notwithstanding
18 the length of terms specified for the manufactured housing code council under
19 section 15.157 (13) (a) of the statutes, as created by this act, the initial members
20 appointed under section 15.157 (13) (a) 1. and 2. of the statutes, as created by this
21 act, shall be appointed for terms that expire on July 1, 2006; the initial members
22 appointed under section 15.157 (13) (a) 3. and 4. of the statutes, as created by this
23 act, shall be appointed for terms that expire on July 1, 2007; and the remaining initial
24

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1 members appointed under section 15.157 (13) (a) 5. to 7. of the statutes, as created
2 by this act, shall be appointed for terms that expire on July 1, 2008.

3 (3) DEPARTMENT OF COMMERCE POSITION DECREASE. The authorized FTE positions
4 for the department of commerce are decreased by 1.6 SEG positions, funded from the
5 appropriation under section 20.143 (3) (sa) of the statutes, as affected by this act, for
6 the performance of duties primarily related to the administration of subchapter V of
7 chapter 101 of the statutes.

8 (4) DEPARTMENT OF COMMERCE POSITION INCREASE. The authorized FTE positions
9 for the department of commerce are increased by 1.6 PR positions, funded from the
10 appropriation under section 20.143 (3) (j) of the statutes, as affected by this act, for
11 the performance of duties primarily related to the administration of subchapter V of
12 chapter 101 of the statutes.

13 (5) APPROPRIATION TRANSFER. Immediately before the effective date of this
14 subsection, the unencumbered balance in the account for the appropriation to the
15 department of commerce under section 20.143 (3) (sa) of the statutes, as affected by
16 this act, is transferred to the appropriation account under section 20.143 (3) (j) of the
17 statutes, as affected by this act.

18 **SECTION 66. Effective dates.** This act takes effect on December 1, 2005,
19 except as follows:

20 (1) PROPOSED RULES. SECTION 65 (1) of this act takes effect on the day after
21 publication.

22 (2) MANUFACTURED HOUSING CODE COUNCIL. The treatment of sections 15.157
23 (13) and 101.933 of the statutes and SECTION 65 (2) of this act take effect on the day
24 after publication.

25

(END)